

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

335



FROM: Economic Development Agency

SUBMITTAL DATE:

October 24, 2013

SUBJECT: Second Amendment to Communications License Agreement – Riverside County Information Technology – Norco, District 2, [\$134,088]

RECOMMENDED MOTION: That the Board of Supervisors:

Ratify the attached Second Amendment to Communications License Agreement and authorize the Chairman to execute the same on behalf of the County

BACKGROUND:

Summary

The County of Riverside entered into a license agreement on September 1, 2006 on behalf of Riverside County Information Technology (RCIT) for space in a communication facility located on Paradise Road in Norco. This Second Amendment will extend the License for a period of three years effective September 1, 2012.

(Continued)

Robert Field
Assistant County Executive Officer/EDA

| FINANCIAL DATA | Current Fiscal Year: | Next Fiscal Year: | Total Cost: | Ongoing Cost: | POLICY/CONSENT (per Exec. Office) |
|--|----------------------|-------------------|-------------|---------------------------------|---|
| COST | \$ 44,683 | \$ 46,023 | \$ 134,088 | \$ 0 | Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/> |
| NET COUNTY COST | \$ 0 | \$ 0 | \$ 0 | \$ 0 | |
| SOURCE OF FUNDS: Riverside County Information Technology 100% | | | | Budget Adjustment: No | |
| | | | | For Fiscal Year: 2013/14 | |

C.E.O. RECOMMENDATION:

APPROVE

BY:

Jennifer L. Sargent

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

FORM APPROVED COUNTY COUNSEL
BY:
DATE: 9/24/13
Patricia Munroe
Departmental Concurrence

By:
Kevin Crawford, Chief Information Officer
Riverside County Information Technology

- ☐ A-30 ☐ Positions Added
☐ 4/5 Vote ☐ Change Order

Prev. Agn. Ref.: 3.56 of 9/1/09

District: 2/2

Agenda Number:

3-21

BACKGROUND:

Summary (continued)

This facility continues to meet RCIT's communication needs. In 2009, the Real Estate Division renegotiated a decrease from \$4,243.60 per month to \$3,200.00 per month for the term of the First Amendment to the lease, which equates to a 24% savings for the department.

| | | |
|---------------------|---|---|
| Lessor: | Crown Castle MU LLC | |
| Premises Location: | Paradise Road Norco, California 91760 | |
| Size: | Approximately 100 square feet | |
| Term: | 3 year license extension retroactively effective as of September 1, 2012 | |
| Rent: | <u>Current</u> \$3,394.88 per month \$40,736.56 per year | <u>New</u> \$ 3,496.73 per month \$41,960.76 per year |
| Rental Adjustments: | Year 1 | \$3,496.73 per month |
| | Year 2 | \$3,601.63 per month |
| | Year 3 | \$3,709.68 per month |
| Utilities: | Landlord furnishes electricity | |
| Market Data: | Not applicable | |

The attached Second Amendment to Communications License Agreement has been reviewed and approved by County Counsel as to legal form.

SUPPLEMENTAL:

Additional Fiscal Information

RCIT and EDA anticipated the lease extension and budgeted these costs in FY 2013/2014. RCIT will reimburse EDA for all lease costs on a monthly basis.

Contract History and Price Reasonableness

This second Amendment will extend the License Agreement for a period of three years effective September 1, 2012. The rental adjustments will increase three percent per year during the three year term.

Attachment:
Exhibit A
Exhibit B
Exhibit C
Second Amendment

Exhibit A

RCIT Lease Cost Analysis FY 2012/13 Paradise Road, Norco, CA

Total Square Footage to be Leased:

ACTUAL AMOUNTS

Current space:

100 SQFT

| | | |
|---|---------------------|---------------------|
| Lease Cost per Month (July - Aug) | \$ 3,394.88 | |
| Lease Cost per Month (Sept- June) | <u>\$ 3,496.73</u> | |
| Total Lease Cost (July - Aug) | \$ 6,789.76 | |
| Total Lease Cost (Sept - June) | <u>\$ 34,967.30</u> | |
| Total Actual Lease Cost for FY 2012/13 | | \$ 41,757.06 |

Estimated Additional Costs:

ACTUAL AMOUNTS

EDA Lease Management Fee (Based @ 3.89%)

Total Estimated Actual Cost for FY 2012/13

TOTAL ESTIMATED COST FOR FY 2012/13

| | |
|--------------------|----------------------------|
| \$ 1,624.35 | |
| <u>\$ 1,624.35</u> | |
| | <u><u>\$ 43,381.41</u></u> |

Exhibit B

RCIT Lease Cost Analysis FY 2013/14 Paradise Road, Norco, CA

Total Square Footage to be Leased:

ACTUAL AMOUNTS

Current space:

100 SQFT

| | | |
|---|---------------------|---------------------|
| Lease Cost per Month (July - Aug) | \$ 3,496.73 | |
| Lease Cost per Month (Sept- June) | <u>\$ 3,601.63</u> | |
| Total Lease Cost (July - Aug) | \$ 6,993.46 | |
| Total Lease Cost (Sept - June) | <u>\$ 36,016.30</u> | |
| Total Actual Lease Cost for FY 2013/14 | | \$ 43,009.76 |

Estimated Additional Costs:

ACTUAL AMOUNTS

EDA Lease Management Fee (Based @ 3.89%)

Total Estimated Actual Cost for FY 2013/14

TOTAL ESTIMATED COST FOR FY 2013/14

| | |
|--------------------|----------------------------|
| \$ 1,673.08 | |
| <u>\$ 1,673.08</u> | |
| | <u>\$ 44,682.84</u> |

Exhibit C

RCIT Lease Cost Analysis FY 2014/15 Paradise Road, Norco, CA

Total Square Footage to be Leased:

ACTUAL AMOUNTS

Current space:

100 SQFT

| | | | |
|---|----|------------------|--------------|
| Lease Cost per Month (July - Aug) | \$ | 3,601.63 | |
| Lease Cost per Month (Sept- June) | \$ | <u>3,709.68</u> | |
| Total Lease Cost (July - Aug) | \$ | 7,203.26 | |
| Total Lease Cost (Sept - June) | \$ | <u>37,096.80</u> | |
| Total Actual Lease Cost for FY 2014/15 | | | \$ 44,300.06 |

Estimated Additional Costs:

ACTUAL AMOUNTS

EDA Lease Management Fee (Based @ 3.89%)

Total Estimated Actual Cost for FY 2014/15

TOTAL ESTIMATED COST FOR FY 2014/15

| | | |
|----|-----------------|----------------------------|
| \$ | <u>1,723.27</u> | |
| | | \$ <u>1,723.27</u> |
| | | <u><u>\$ 46,023.33</u></u> |

SECOND AMENDMENT TO COMMUNICATIONS LICENSE AGREEMENT

This Second Amendment to Communications License Agreement (this "Amendment") is made this _____ day of _____, 20____, by and between Crown Castle MU LLC, a Delaware limited liability company (f/k/a Mountain Union Telecom, LLC) ("Crown") and County of Riverside, a political sub-division ("Licensee").

RECITALS:

WHEREAS, Crown (and/or certain of its affiliates and/or predecessors-in-interest) and Licensee (and/or certain of its affiliates and/or predecessors-in-interest) entered into a certain Communications License Agreement dated September 1, 2006, as may have been previously amended and/or assigned, and as may be subject to any master agreement or any other agreement(s) pertaining thereto (collectively, the "Co-Location Agreement"), whereby Licensee leases or licenses from Crown certain space at a telecommunications facility known as Norco, Crown BU# 839391 (the "Site"); and

WHEREAS, Crown and Licensee desire to amend the Co-Location Agreement pursuant to the terms and subject to the conditions set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree to be legally bound to this Amendment as follows:

1. **Capitalized Terms.** Unless clear from the context in which they are used, all capitalized terms used herein shall have the same meanings ascribed to them in the Co-Location Agreement.
2. **Term Extension.** The term of the Co-Location Agreement that expired on August 31, 2012 (the "Term") shall be extended, or shall be deemed to have been extended, commencing effective as of the expiration of said Term as set forth in the Co-Location Agreement (the "Extension Commencement Date"), and expiring on August 31, 2015 (the "Extension Expiration Date").
3. **Modifications to Equipment.** Notwithstanding anything to the contrary in the Co-Location Agreement, Licensee shall apply to make modifications to its equipment by submitting an application form to Crown (as such form may be amended by Crown from time to time). A structural analysis, AM detuning study or an intermodulation study may be required by Crown in connection with a proposed modification, and Licensee will be liable for the cost thereof. Any approved modification shall be evidenced by an amendment to the Co-Location Agreement, and the approved application, together with a tower level drawing and site plan (as required by Crown), describing all of Licensee's permitted equipment and the locations thereof, shall be exhibits to said amendment.
4. **Full Force and Effect; Inconsistent Terms.** Except as expressly set forth in this Amendment, the Co-Location Agreement is otherwise unmodified, shall remain in full force and effect and is incorporated and restated herein as if fully set forth at length. In the event of any inconsistencies between the Co-Location Agreement and this Amendment, the terms of this Amendment shall control. Each reference in the Co-Location Agreement to itself shall be deemed to also refer to this Amendment.

[Remainder of Page Intentionally Left Blank]

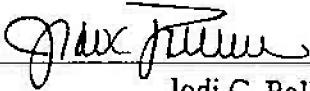
Customer Site Name: RCIT
Customer Site ID: NR003

Crown Site Name: Norco
Crown Business Unit: 839391
License Number: 162677
Amendment Number: 347961

IN WITNESS WHEREOF, the parties have set forth their hand and seal as of the date indicated above.

CROWN:

Crown Castle MU LLC,
a Delaware limited liability company

By: 
Print Name: Jodi C. Pollice
Title: Interim Licensing Manager
Execution Date: 8/5/13

LICENSEE:

County of Riverside,
a political sub-division

By: _____
Print Name: John J. Benoit
Title: Chairman of the Board
Execution Date: _____


Attest:

Kecia Harper-Ihem
Clerk of the Board

By: _____
Deputy

Approved as to Form:

Pamela J. Walls
County Counsel

By: 
Patricia Munroe
Deputy County Counsel